

Experts react: Greek referendum

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The final result of the Greek referendum saw 61.3 per cent of voters reject the proposal, with 38.7 per cent voting in favour. We asked some of EUROPP's contributors for their reactions to the result and what it could mean for Greece's future in the Eurozone.

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Kyriakos Moumoutzis: “To ‘live life on their own terms’ is to live life outside the Eurozone”

In contrast to what some [polls](#) had suggested, the Greek people voted by a large margin to reject the last offer that Greece was made before the Greek government abandoned the negotiations with Greece's creditors. [One would have thought](#) that the experiences of the past week would have made the Greek people realise how catastrophic the consequences of non-agreement are likely to be. Clearly, this was not the case despite the fact that Greece's situation deteriorated dramatically during the past week.



There are people who have found it nearly impossible to access their deposits. [According to some Greek bankers](#), the situation is going to deteriorate further as Greek banks are likely to run out of cash within days. Greece will have to reintroduce a national currency unless its government can reach an agreement with its creditors. In contrast to what Greek Prime Minister Alexis [Tsipras has suggested](#), the result of the Greek referendum has not rendered such an agreement more likely. The decision of the Greek people has offered their government additional support to continue to reject offers of a deal, which Greece needs much more desperately than its creditors. [Mr Tsipras was right](#) about one thing: ‘no one can ignore the will of a people... to live life on their own terms’. The terms of the Greek people, however, are likely to lead them to a life outside the Eurozone.

Kyriakos Moumoutzis – *King's College London*

Kyriakos Moumoutzis is a Lecturer in European and International Politics at King's College London.

Jonathan White: “The wider anti-austerity movement is likely to continue to make itself heard”

One would have had to fear for Syriza's partners on the European left – notably Podemos in Spain – had the Greek government lost this referendum. One of the challenges for political opposition in the EU is the way it is divided across different political calendars. Given the non-synchronisation of elections and referenda across the member-states, opportunities for like-minded parties in different countries arrive sequentially rather than simultaneously. The effect is that setbacks or successes in



one country frame events as they will occur elsewhere.

The Spanish general election scheduled for November of this year offers the next major opportunity for an anti-austerity party in Europe to enter government. As many in Brussels no doubt recognised, a defeat for Syriza in the Greek referendum would have changed significantly the context of that election. More sharply than any failure at the EU negotiation table, Syriza's rejection by its own electorate would have made it that much more difficult in Spain to shore up public opinion in favour of a pro-European critique of EU policy. As it is, the wider anti-austerity movement is likely to continue to make itself heard.

Jonathan White – LSE

[Jonathan White](#) is Associate Professor (Reader) in European Politics at the London School of Economics.

Lorenzo Codogno: “In the long term, this whole saga may turn out to be positive as it may trigger a much-needed clarification on Eurozone governance and the future of the Union”

The vote makes a deal between Greece and the creditors harder to achieve and increases the odds of Greece's exit from the Eurozone. Still, I believe that European leaders will do whatever it takes to prevent this latter event.



Knee-jerk reaction in financial markets may well be very negative. Yet, contagion can be contained. In the near-term, the heavy lifting will have to come from the ECB, mostly through accelerated buying of assets in the context of the asset purchase programme. However, any liquidity support to Greece would prove difficult without a clear political mandate. Political/social contagion in the rest of Europe may be more problematic and difficult to contrast.

The vote has immediate practical implications. But it is also a soul-searching exercise for Europe, what it stands for, what kind of governance is the most appropriate for the future. In the long term, this whole saga may turn out to be positive as it may trigger a much-needed clarification on Eurozone governance and the future of the Union. In case of Grexit, however, the damage to the Eurozone would be permanent. The current debate goes straight to the heart of what European integration is all about, and thus it will have long-lasting implications for the future of the Eurozone.

Lorenzo Codogno – LSE, *European Institute*

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Nikitas Konstantinidis: “Greece is fast degenerating into a regime of illiberal Chavism and there is not much Europeans can do to stem this tide”

The resounding ‘No’ outcome of the Greek referendum constitutes a strong boost to Greek PM Tsipras' standing within his own Syriza party and Greek politics as a whole. Tsipras has shown to be an extremely adept orator and manipulator of public opinion and emotions. This referendum – especially in the way it was designed and timed – started off as a vote of approval for the government's hard negotiating stance vis-a-vis the country's creditors, but then quickly got framed in terms of the right choice of currency by both domestic opposition parties and foreign officials. Yet, it is now becoming increasingly clear that this was a plebiscite about democracy.



Greece is fast degenerating into a regime of illiberal [Chavism](#) and there is not much Europeans can do to stem this tide. All the signs were there, but both outside observers and voters were blinded by Tsipras' soft-spoken lip-service paid to common European ideals. His choice of coalition partner (the nationalist Independent Greeks) and the government's overall hard-nosed negotiation strategy suggest that he never had any intention of reaching an agreement, but rather to drag the country out of the euro and eventually the EU. Grexit has always been Tsipras' desired endgame.

One may naturally ask oneself why Tsipras and his party would operate under such an extreme set of preferences. The answer probably lies in the name of the party itself: Syriza is short for the Coalition of the Radical Left: i.e. a purely ideological policy-seeking party of the far left that cannot govern within the boundaries of conventional liberal democratic politics or the straitjacket of EMU and EU membership.

Nikitas Konstantinidis – *University of Cambridge*

Nikitas Konstantinidis is a University Lecturer in International Political Economy in the Department of Politics and International Studies at the University of Cambridge.

Eri Bertsou: “The big question is what Tsipras will choose to do next”

Yesterday's referendum in Greece resulted in a victory for Alexis Tsipras, who managed to convince the majority of Greek people how to interpret a rather badly phrased and confusing referendum question. His interpretation was that a decisive 'No' vote on the terms of the proposed agreement would strengthen the country's negotiating position and help bring forward a better deal. One of the reasons such a sizeable chunk of the Greek population sided with him stems, not from his ability to convince using rational argumentation, in fact the 'no' campaign was driven by emotionally charged rhetoric about democracy and the historical importance of the Greek people. It has more to do with the inability of every single other political force campaigning for a 'yes' vote, inside and outside Greece, to pass its message to the Greek people.



The absolute distrust citizens seem to have in all politicians and political parties that have governed in the last decades, as well as the EU heads of institutions who have prescribed the policies followed for the last five years in the country, drove Greeks to reject their arguments, opinions and interpretations of the situation. People chose to take their chances with Mr Tsipras, despite the lack of a clear programme for future negotiations and the poor results of the past five months.

What happens next then? It is hard to see how dialogue can resume and be fruitful between two sides that do not trust each other, and indeed the removal of Mr Varoufakis from the negotiations may signal an attempt at changing the tone of the talks. Nevertheless, it is not possible that Mr Tsipras will achieve a deal of support from the institutions without any conditions for fiscal measures, and bringing any form of agreement to the Greek Parliament is bound to divide his party, which includes many radical left voices.

Yet, Mr Tsipras is essentially operating without any meaningful opposition back home, and he knows it. His narrative gets through to the majority of the Greek people and the big question is what he'll choose to do next. Will he seek the backing of all Greek political leaders to bring a better deal to Parliament, which will guarantee the country's stay within the EU and Eurozone framework, at the expense of his party's unity and powerful position? Or will he reject any conditions the international creditors put on the table as not sustainable and fair and put the country, definitively, on the route of rupture with the EU and exodus from the single currency?

He promised Greek voters the former, but there is not much stopping him from following the latter and putting the blame for the failure of negotiations on his European counterparts.

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